

1. To

19 October 1950

MEMORANDUM FOR: SAA

VIA:

EE

SUBJECT:

Use of the Seaboard and Western Airline in the Implementation of FE-1 Projects.

1. LE-1 requests that all possible influence be exerted to insure the renewal of the CAD charter of the Seaboard and Western Airline, since in recent months Seaboard and Western has come to play an important part in the implementation of Projects POFIEND, OKSTAIR, and JELDICT.

- 2. The degree of cooperation received by LE-1 from this cirline, the leading officers of which have been security cleared, has been exceptionally good. Through the President and Vice-Fresident of Seaboard and Western, special operational flights for the transfer of extremely sensitive equipment and covert personnel have been arranged. Without these flights certain operational deadlines would certainly not have been met. Moreover, it is very probable that no larger airline would be willing to handle the type of material, or be able to securely transport sensitive personnel in such a flexible manner. In addition to the above, Seaboard and Western flights have been at special rates less than those of other airlines, sometimes amounting to not more than one half of the regular fare. EE-1 estimates that they have handled through Seaboard and Western not less than 7/8 of its traffic into Greece and Germany. To date this amounts to somewhere in the neighborhood of 60,000 pounds of freight alone.
- 3. In addition to the above, special arrangements have been concluded with the President of Seaboard and Western, through which EE-1 has been able to place one of its covert personnel in Greece as Seaboard and Western's traffic manager. Seaboard and Western has permitted EE-1 to open a cover office in Athens, a facility which will prove of great service in the furthering of Projects BGFIEND and CKSTAIR. This office feels that the President of Scaboard and Western has shown great faith in entering into this agreement with EE-1, since the airline as yet has not renewed the CAB certificate to fly regular flights into Athens.
- h. It may be pertinent to the problem at hand to mention that during conversations with the President of Scaboard and Western, he advised the OPC representative that he was extremely apprehensive as

to whether his charter would be renewed since "political pressure was being brought by larger airlines to squeeze him out of business". It is the opinion of this effice that if Seaboard and Western's competitors are successful in doing this, QBG operations, which envisage an ever wider use of this airline, will suffer accordingly. It is therefore requested that every effort be made to insure the renewal of Seaboard and Western's charter.

Chief, EE-1